SYNOPSIS ON

A Study of Digital Payment Gateway and its influence on Indian Finance Market with Reference to Rural & urban Area of Sirsa District Haryana

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Introduction

“Banking done through the digital platform” has been termed as the definition for digital payment gateway. In present scenario the digital platform has prepared a super market where anyone can get access and perform all works done without going in the bank. Digital payment through difference modes of technology has made it esay to enjoy all services with a single click.Forinstance,GPay,Paytm,UPIid,Bhim,Phonepay,Rupay are measure digital payment service provider app.Today the digital paytm system has replaced the tradition of way of banking.Traditional way is referred as time consuming, lengthy process and prefer a need of physically avoidability,but now the whole scenario has changed the present system of banking has become more efficient, accurate and time saving process. Digital payment system is an advance system of banking services through this we can track all our previous transactions and other record.

Traditional way of banking system has converted now in virtual world.

Cash withdrawal- Traditional way of withdrawal of money is considered a complex process. One has to fulfill the requirement of check with a token for withdrawal or deposit of money. Earlier process of cash withdrawal with check is needed 3 days but now, there is a second option, that is ATM facility which takes only 3 minutes for the completion of the whole process.Thus,this facility made us to avoid to go in the bank.However,there is a a limit for withdrawing money from an ATM according to bank policy. But there is no limit to withdraw money from the bank. The only condition is that there should be money in our account.

Fund transfer- The significant advantage of digital banking is that it made fund transfer more esay from one account to other account. Online gadgets provide facility of fund transfer at any time from anywhere. People have become habitual to use different facilities provided by private institution and public sector for fulfill their requirement regarding fund transfer.

Mobile banking- Digital payment system through mobile requires an internet connection. Mobile banking has emerged as revolution of the modern era. With the utilization of smart phones for banking purpose, customers can get all kind of benefit of banking of banking system difference bank existing both public and private sector has been providing their own mobile

banking application service canara bank is example of public sector bank having its own application.HDFC is major example of private sector mobile app service provider bank.

Chronological history of digital payment gateway in 21 century

In 1983 David chaum started work on digital cash by introducing the blinding formula,In 1994 started online banking and bill pay, In 1998 PayPal is founded, In 1999 movie tickets has been started through mobile phone, In 2003 ,95 million cell phone users worldwide made a purchase via their mobile device, In 2007 android and iPhone operating system are introduced. Bitcoin is invented in 2008 after that Google wallet has started. The year 2020 is considered as a revolution in digital payment system.90 percent of smartphone users has started mobile payment system. Due to corona pandemic it has become more popular for digital payment system.UPI Witnessed 68 Billion transaction until November 2021 in which only mobile payment system helped to transact a total of 34.95 Lakh crore during the operation starting from 2016,on the basis of may 2021 data, there exist 15 crore monthly active users of mobile payment system.We can see a competitive aspect in different digital payment application through mobile app.Paytm,Phonepay and Google pay shows this competitive aspect , on the basis of users and transaction, Paytm is the largest platform, Google pay and Phone pay are most usable. Apple pay and Google pay are two global paymentsolutions. The year 2020 added 900 million new mobile payment users globally. It is considered the largest increment in users due to corona pandemic. The present study has selected to show the importance of digital payment gateway in corona pandemic. During the pandemic period, digital payment system emerged as a blessing for all human being because it provided digital connectivity to fulfill the requirement of money transfer.

Review of Literature

Dahlberg and Oorni (2007) made his focus on micro-payment and provided a discussion on security public keys, non-reputation and suggested a good structure for mobile payment solution.

Mallat N. (2004) Investigates the major futuristic aspect of research with multiple steps in the journey made by mobile payment system.

Dennehy,D., Sammon,D(2015) focuses and summarizes the main aspect related to mobile payment research.It also describes the study regarded.It also describes the study regarded with the different sets of constructs in technology ecosystem.

Mallat,N(2007) Provides a quantitative study in which represent the base for development of mobile payment service.The study also made an evaluation on the basis of adoption from behaviouraltheory.It also describes that how it has serious implication on user adoption aspect.

Goeke (2010) made an assessment of factors which are making an influence for the acceptance of mobile payments of customers.

Hedman and Henningsson (2012) discuses and evaluated the scenario of digital world and also about the emerging impact of digital innovation and disruption caused by them.

Ondrus(2005) – made an exploration about the infrastructure related to payment system.The research also provides a strategy for the development of mobile payment ecosystem.

Gauretal.(2013) Deals with the different aspects related to indian mobile payment ecosystem.In 2013 the market was showing growth but this research provides a description about the needs and challenges

Nuthak,Rashmi P.C. Present the scenario of E-payment system and referres that this system of payment has become a routine of daily life. The paper also emphasizes the different types of E-payment system and various kind of protocols related to E-payment system.In the article the security related aspect also discussed.

RoopaliBatra,NehaKalrain in their article Are Digital Wallets the New Currency?, “India is heading on the path of a major digital revolution.Digitalization of the payment mechanism will be considered as landmark in the era of cashless future economy.The present research aims to empirically examine the adoption patterns of digital wallets by of the responents.An exploration of customer perception, usage pattern preferences and satisfaction level regarding digital wallets is made based on a study of 52 respondents.It further identifies the barriers and

challenges to the adoption of digital wallets.To attain the afore said purpose a well-structured questionnaire was administered to respondents wherein they were asked various with regards to adoption of digital wallets.The results indicate that there exists a huge untapped market for digital wallets both in terms of increasing awareness as well as its usage.Time saving and ease of usage were found to be the main reasons for using wallets.However, safety of money transacted remained the major concern.Security issues in terms of fear of cash loss and lack of usability for international transaction are the prime barriers to its adoption.The study makes a valuable contribution to research in the area of finance,by exploring digital payment systems in india,an emerging concept."

Jayadatta S in their A Study On Digital Wallets And Mobile Payments , "More importantly digital wallets hold the promise of that momentous day when a consumer can certainly leave their homewithout a wallet. With recent developments ranging from the advent of the smartphones to unbundlednetwork tokenization, that day is surely closer than ever before. In addition, the history of paymentsinnovation offers a clear cut guide to success for digital wallets. The path for the banks is also moreuncertain, but builds on clear strategic imperatives and historical moats. Following them will surelyensure the continued relevance of banks even as a broad range of players do accelerate innovationsaround how consumers move, pay and also manage their money."

Oginni Simon Oyewole, El-Maude, JibreelGambo, Mohammed Abba, Michael Ezekiel Onuh in their article Electronic Payment System and Economic Growth: A Review of Transition to Cashless Economy in Nigeria, "Technological advancement has provided efficient and effective payment system devoid of 'cash and carry syndrome'. Specifically, electronic payment system provides a medium through economic exchanges take place without visiting brick and mortal banks or with no physical presence of the transacting parties. While electronic payment system enjoys prominence in Nigeria, evidence of its contribution to economic growth has not been empirically established."

Mamta, Prof. HariomTyagi , Dr. AbhishekShukla in their The Study of Electronic Payment Systems, "Electronic payments are financial transactions made without the use of paperdocuments such as cheques. Electronic payments include debit card, credit card, smart

card, e-wallet, e-cash, electronic cheques etc. E-payment systems have received different acceptance level throughout the world; some methods of electronic payments are highly adopted while others are relatively low. This study aimed to identify the issues and challenges of electronic payment systems and offer some solutions to improve the e-payment system quality."

Objectives

1. To understand about digital payment system, its various opportunities and challenges during covid19.
2. To classify the consumers of digital payment system based on their different perceptions.
3. To recognize the factor affecting the user's perception towards digital payment system.
4. To provide suitable suggestion and recommendation for the improvement of digital payment system in study area.

Hypothesis

1. Government is taking regulatory action to promote digital financial inclusions in rural and backward areas.
2. Level of security and trust in digital payment system increase the adoption rates of digital payment gateway in both rural and urban areas.
3. The availability of physical banking infrastructure, such as bank branches and ATMs, in rural areas affects the adoption, with areas having less physical infrastructure showing higher adoption rates.

Data collection and Methodology

Methodological aspects of any research play an important role in any research. Suitable Methodology provides a fair direction to fulfill the all requirements of research. So it is necessary to have a fair methodology for research. The present study based on both primary and secondary data. Primary data will be collected through the scheduled and questionnaire in

the study area. Suitable sample size will be selected according to the need of study. Secondary data will be through the various websites,govt. records,publication and reports of different banks.

Top 10 State wise number of digital payment transactions per capita in India(2021)

Sr.no.	state	Number of transactions
1.	Chandigarh	38.48
2.	Andhra Pradesh	17.68
3.	Haryana	12.42
4.	Delhi	9.31
5.	Dadra & nagar haveli	8.78
6.	Daman & diu	8.31
7.	Utter Pradesh	7.73
8.	Maharashtra	6.95
9.	Karnataka	6.54
10.	Goa	5.89

The table represents the union territory of Chandigarh had the highest number of per capita digital payment transactions of all Indian states and territories at over 38. At distance followed Andhra Pradesh and Haryana with around 18 and over 12 per capita transactions, respectively.

Major mobile payment players in India

Sr.no.	Name of the wallet	User base(July 2020)	category
1.	Paytm	300 million	Independent service provider
2.	Phone Pay	150 million	Independent service provider
3.	Google pay	100 million	Independent service provider
4.	Freecharge	54 million	Independent service provider
5.	MobiKwik	55 million	Independent service provider
6.	BHIM	135 million	Government service provider
7.	Airtel money	30 million	Independent service provider
8.	Jio money	16 million	Independent service provider
9.	Sbi yono	10 million	Banking service provider

10.	PayPal	100 million	Independent service provider

(Source: socialbeat.com)

Tentative chaptization scheme

- Chapter 1 deals with the introduction of the study which includes statement of problem, significance of study , objective of the study, research question , methodology , sample design.
- Chapter 2 deals with the review of literature.
- Chapter 3 projects about the theoretical framework of the study.
- Chapter 4 deals with the analysis of the data collected from the respondents.
- Chapter 5 is the summary of the findings which gives conclusion and draws suggestion and recommendation on the basis of study.

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